



**STATE OF WASHINGTON**  
**DEPARTMENT OF FINANCIAL INSTITUTIONS**  
**DIVISION OF CONSUMER SERVICES**

*P.O. Box 41200 • Olympia, Washington 98504-1200*  
*Telephone (360) 902-8703 • TDD (360) 664-8126 • FAX (360) 664-2258 • <http://www.dfi.wa.gov>*

January 20, 2006

Dear Consumer Loan Licensee:

With this cover letter you will find forms for the Consolidated Annual Report and Annual Assessment Report to be filled out. These documents must be completed and returned to the Washington Department of Financial Institutions ("DFI") no later than Wednesday, March 1, 2006. Filings received after March 1<sup>st</sup> will be subject to a late penalty.

Instructions are provided for both documents. Please read them carefully before you begin and follow them closely. It may be helpful for you to make copies of the blank forms before you begin. Start by preparing your supporting documentation – a list of all the WA loans you originated, brokered, funded, purchased, serviced, and/or sold during 2005. Use the list of loans to complete the 2-page Consolidated Annual Report ("CAR") form. The data from the CAR form will help you complete the Annual Assessment ("AA") worksheet, resulting in the calculation of the AA fee due to DFI.

These reports, required of all Consumer Loan licensees, must be filed even if you did no business in Washington during 2005.

If this mailing got to you incorrectly, please immediately forward it to the person in your company responsible for such reporting. Consumer Loan licensees are responsible for keeping this agency informed of pertinent staff. If corrections regarding the contact person for your company are needed, provide this agency with a written update now (the update can be via e-mail, FAX, or regular mail).

Remember, there are penalties for late or inadequate reporting so do not delay. A complete filing will include both the CAR and AA forms, a list of WA loans, your audited financial statement, and a check for the AA fee.

Thank you for your prompt attention to this matter. You may contact me at 360-902-8815, fax 360-704-7015, or e-mail (best) [kmcdonnell@dfi.wa.gov](mailto:kmcdonnell@dfi.wa.gov) for additional assistance.

Sincerely,

Mrs. Kae McDonnell  
Licensing Examiner



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**2005 CONSUMER LOAN COMPANY CONSOLIDATED ANNUAL REPORT**

Name of company as licensed in Washington: \_\_\_\_\_

Main Office Address: \_\_\_\_\_

WA File Number: \_\_\_\_\_ Number of locations holding WA licenses during 2005: \_\_\_\_\_

*This consolidated annual report should include all of the company's Washington State business in a single report.*

**Report Due to DFI:** March 1, 2006      **Annual Report for Business** conducted through December 31, 2005

*A penalty of \$100.00 per day will be assessed if received by DFI after March 1, 2006*

*Reports must be filed even if you did NO business in Washington State during 2005.*

Attach the actual supporting documentation used to complete this Consolidated Annual Report. These include:

- A list of Washington loans originated, brokered, funded, purchased, serviced, and/or sold during 2005  
AND EITHER:
- Washington-State-business-only financial statements prepared according to GAAP  
OR
- Company-wide financial statements prepared according to GAAP

*Any Consolidated Annual Report received without attached supporting documentation will be considered incomplete and therefore subject to the \$100 per day penalty.*

**ANSWER EVERY QUESTION OR WRITE IN "NONE"**

<b>Analysis of Washington State Loans by Size and Number Under the Consumer Loan Act</b>		<b>Number of Accounts</b>	<b>Dollar Volume</b>
<b>1.</b>	Principal balance of all loans on December 31, 2004 (Line 3 from last year's report)  Use the numbers in line 1 to calculate "Dollar Volume" divided by "Number of Accounts." Enter the result here. _____ (This is the average principal balance of loans as of December 31, 2004.)	_____  ///////// /////////	_____  ///////// /////////
<b>2a.</b>	Unsecured or Secured by Security Agreement (personal property) (All WA loans originated, funded, or purchased during 2005)	_____	_____
<b>2b.</b>	Secured by Real Estate (All WA loans originated, funded, or purchased during 2005)	_____	_____
<b>2c.</b>	Loans made in 2005 and sold with servicing released (WA loans originated, funded, or purchased during 2005)	_____	_____
<b>2d.</b>	Loans made in 2005 and sold with servicing retained (WA loans originated, funded, or purchased during 2005)	_____	_____
<b>2e.</b>	Loans made prior to 2005 and sold with servicing retained (WA loans originated, funded, or purchased prior to 2005)	_____	_____
<b>2f.</b>	Loans held that matured or paid out (paid off) during 2005 (WA loans originated, funded, or purchased prior to and during 2005)	_____	_____
<b>2g.</b>	Add line 2a plus line 2b. Enter the totals in the respective "Number of Accounts" and "Dollar Volume" columns to the right.  Use the numbers in line 2g to calculate "Dollar Volume" divided by "Number of Accounts." Enter the result here. _____ (This is the average size of loans made during 2005.)	_____  ///////// /////////	_____  ///////// /////////

## 2005 CONSUMER LOAN COMPANY CONSOLIDATED ANNUAL REPORT (page 2)

Name of company as licensed in Washington: \_\_\_\_\_

	Analysis of Washington State Loans by Size and Number Under the Consumer Loan Act	Number of Accounts	Dollar Volume
<b>3.</b>	Principal balance of all loans on December 31, 2005  Use the numbers in line 3 to calculate "Dollar Volume" divided by "Number of Accounts." Enter the result here. _____ (This is the average principal balance of loans as of December 31, 2005.)	_____  ///////// /////////	_____  ///////// /////////
<b>4.</b>	Loans secured by Real Estate that were foreclosed during 2005		
<b>5.</b>	Loans secured by Real Estate in foreclosure on December 31, 2005		
<b>6.</b>	Real Estate loans charged against reserve for loan losses as a result of foreclosures during 2005		
<b>7.</b>	All other loans charged against reserve for loan losses during 2005		
<b>8a.</b>	Loans contractually delinquent 30 days or more at end of 2005		
<b>8b.</b>	Calculate "Dollar Volume" of line 8a divided by "Dollar Volume" of line 3. Enter the result here. _____ (This is the delinquent percentage of outstanding loans.)	///////// ///////// /////////	///////// ///////// /////////

I hereby certify under penalty of perjury that the information contained in this consolidated annual report and attached supporting documentation, has been carefully examined by me and is correct and complete, and further acknowledge that there are no misrepresentations or omissions of material facts.

**Prepared By:** \_\_\_\_\_  
*Signature*
*Date*

\_\_\_\_\_  
*Typed or printed name of preparer*
*Title*

**Phone:** \_\_\_\_\_ **Fax:** \_\_\_\_\_ **e-mail:** \_\_\_\_\_

### AFFIDAVIT for 2005 CONSUMER LOAN COMPANY CONSOLIDATED ANNUAL REPORT

I, \_\_\_\_\_ the undersigned being the President, Manager, or Treasurer  
*print name of company President, Manager, or Treasurer*
*circle correct title*

of \_\_\_\_\_, a Washington licensed Consumer Loan Company,  
*print company name as licensed*

swear (or affirm) that to the best of my knowledge and belief the statements contained in this report, including the accompanying schedules and statements (if any), are true and that the same is a true and complete statement in accordance with the law.

\_\_\_\_\_  
*Signature of company President, Manager, or Treasurer*

Signed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ and

**I hereby certify that I am not an officer or director of this company.** \_\_\_\_\_  
*Signature of Notary Public*

notary seal here

Notary Public in and for the:  
 State of \_\_\_\_\_  
 County of \_\_\_\_\_  
 My appointment expires: \_\_\_\_\_

## Instruction Sheet for Consumer Loan Licensees completing the Consolidated Annual Report

We suggest you begin by reviewing all pages of instructions and forms, and making a copy of the blank forms.

### Attachments:

- List of Washington Loans – to accurately complete the Consolidated Annual Report (“CAR”), you’ll need this listing of all WA loans originated, funded, brokered, purchased, and/or sold during 2005. The list should include: loan or account number, loan amount, APR, loan date, type of collateral (real estate, personal property, unsecured, etc), lien position (for real estate loans) and any other information you think DFI should have to verify the accuracy of your report. Sort and subtotal this list by collateral type. Your list should clearly support the line-by-line entries on the CAR form. E-files of this information are encouraged, MS Excel is preferred; on CD/disc, or phone before e-mailing an attachment.
- Financial Statements – prepared according to Generally Accepted Accounting Principles (GAAP) for either Washington State Business Only, or a Company-wide consolidated financial statement.
- Annual Assessment Report (even if zero business for Washington during 2005)
- Check made payable to “Washington State Treasurer” (if any assessment is owed)

**Name of Company** – Please provide the licensed legal name of your company on both pages of the report form. Do not use any trade names or “dba’s.” When possible, we’ve populated this line for you.

**Main Office Address** – Give the full physical address of the Main Licensed Office or Corporate Headquarters address for the licensee. When possible, we’ve populated this line for you.

**WA File Number** – If you know your file number (last five digits of your license number), please provide it here to speed our data filing. When possible, we’ve populated this line for you.

**Number of Licensed Locations** – This should be the total number of offices (main plus branches) that held a Washington State Consumer Loan License at any time during 2005. When possible, we’ve populated this line for you.

**1. Principal balance of all loans on December 31, 2004:** This is the total number of loans (or accounts) and total dollar amount (or volume) of loans originated, brokered, funded, purchased, serviced and/or sold by your company that were outstanding as of December 31, 2004. Include loans whether on or off the company’s balance sheet. This may include a servicing portfolio. Your accounting department should have these reports. *HINT: If you filed a Consolidated Annual Report with Washington State DFI last year, you may get this figure from line 3 of last year’s Consolidated Annual Report.*

**Average size of principal balances of loans as of last year’s report:** This is the average size of all loans outstanding on December 31, 2004. Divide the amount you entered on line 1 “Dollar Volume” column by the number you entered on line 1 “Number of Accounts” column to get the average dollar amount.

$$\text{Average dollar amount} = \text{Dollar Volume line 1} \div \text{Number of Accounts line 1}$$

**2a. Unsecured or Secured by Security Agreement:** This is the number and dollar volume of loans either unsecured, or secured by security agreement (loans that are secured by personal property) that were originated, brokered, funded or purchased by your company during 2005. Do not include Real Estate loans.

**2b. Secured by Real Estate:** Loans secured by real estate (all types of real estate) are loans that were originated, brokered, funded, or purchased by your company during 2005,.

**2c. Loans sold in 2005 with servicing released:** Loans originated, brokered funded or purchased by your company during 2005 that your company no longer services (or never did). Also include loans funded or purchased prior to 2005 but sold during 2005 with servicing released. The dollar volume should be the principal balance of the loans, as of the date of sale of the loan. The dollar volume entered here will be the same dollar volume entered on line 2 of the Annual Assessment Worksheet.

**2d. Loans made in 2005 and sold during 2005 with servicing retained:** Loans originated, brokered, funded or purchased by your company in 2005 that your company still services (your company doesn’t own the loan, but still receives payments on behalf of others). The dollar volume entered here should be the principal balance of the loans on the date of sale of the loan. The dollar volume entered here will be added to the dollar volume entered on line 2e of this report; then that sum should be entered as the dollar volume on line 3 of the Annual Assessment Report.

## Instruction Sheet for Consumer Loan Licensees completing the Consolidated Annual Report (page 2)

**2e. Loans made prior to 2005 and sold in 2005 with servicing retained:** Loans funded or purchased (on your balance sheet) prior to 2005 that were sold during 2005, but that your company still services (your company doesn't own the loan, but still receives payments on behalf of others). The dollar volume should be the outstanding balance of the loans as of the date of sale of the loan. The dollar volume entered here will be added to the dollar volume entered on line 2d of this report, then that sum should be entered as the dollar volume on line 3 of the Annual Assessment Report.

**2f. Loans held that matured or paid out during 2005:** Enter the dollar volume and total number of portfolio loans (or loans held on your books) that matured and/or were (paid out) paid off during 2005.

**2g. Average size of loans made during 2005.** Add the "Dollar Volume" on lines 2a and 2b to enter Dollar Volume for line 2g. Add the "Number of Accounts" on lines 2a and 2b to enter Number of Accounts for line 2g. Then use the information on line 2g to calculate "Dollar Volume" divided by "Number of Accounts".

$$\text{Average size of Loans} = \text{"Dollar Volume" on lines 2a + 2b} \div \text{"Number of Accounts" on lines 2a + 2b.}$$

**3. Principal Balance of loans on December 31, 2005:** This is the total number of loans and dollar volume of loans originated, brokered, funded, purchased serviced and/or sold by your company during 2005 that are outstanding as of December 31, 2005 (whether on or off the company's balance sheet, including balance of loans made in prior years). Your accounting department should have these figures. This dollar amount should match the dollar amount entered on line 1 of the Annual Assessment Report. Hint: generally,  $\text{Line 3} = \text{Line 1} + (2a+2b) - (2c+2d+2f) - (6+7)$

**Average size of principal balances of loans as of December 31, 2005:** This is the average size of all loans in your company's portfolio that are outstanding on December 31, 2005. Divide the amount you entered on line 3 "Dollar Volume" column by the number you entered on line 3 "Number of Accounts" column to get the average principal balance of loans.  $\text{Average dollar amount} = \text{"Dollar Volume" line 3} \div \text{"Number of Accounts" line 3.}$

**4. Loans secured by Real Estate that were foreclosed in 2005:** The total number and dollar volume of loans secured by real estate, which your company foreclosed during 2005. (Foreclosure was completed in 2005.)

**5. Loans secured by Real Estate in foreclosure on December 31, 2005:** The total number and dollar volume of loans secured by real estate that are still in foreclosure as of December 31, 2005.

**6. Real Estate loans charged against reserve for loan losses during 2005:** This is the total number of accounts and dollar volume of loans secured by real estate that was charged off as a loss during 2005.

**7. All other loans charged against reserve for loan losses during 2005:** This is the total number of accounts and dollar volume of unsecured loans and loans secured by personal property that was charged off as a loss during 2005.

**8a. Loans contractually delinquent 30 days or more at the end of 2005:** This is the total number of accounts and dollar volume of loans that are delinquent 30 days or more as of December 31, 2005.

**8b. Delinquent Percentage:** This is the percentage of loans outstanding that are delinquent. Take the "Dollar Volume" from line 8a and divide by the "Dollar Volume" from line 3.

$$\text{Delinquent Percentage} = \text{"Dollar Volume" line 8a} \div \text{"Dollar Volume:" Line 3}$$

**Preparer's Certification & Information:** Although these documents may be prepared by the accounting department (or other party within your company); the President, Manager, or Treasurer must review the final document and sign the affidavit. Please remember to have the affidavit notarized. Who actually prepared this report? That person should complete the preparer's certification and information portion.

**Affidavit** – Regardless of who prepared the report, the company President, Manager, or Treasurer must review the report and supporting documentation to complete the Affidavit, which must then be notarized.

**Still Need Help?** Send your specific questions via e-mail to [DCS@dfi.wa.gov](mailto:DCS@dfi.wa.gov) or phone 360/902-8815 and someone from the DFI staff will research and respond separately.



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## 2005 CONSUMER LOAN COMPANY ANNUAL ASSESSMENT REPORT

**This report will be reconciled to the Consolidated Annual Report and accompanying supporting documentation.**  
**See WAC 208-620-220(2) for authority.**

Name of company as licensed in Washington: \_\_\_\_\_

**Report Due:** March 1, 2006 **Assessment for Business** conducted through December 31, 2005

*A penalty of \$100.00 per day will be assessed if received by DFI after due date.  
Reports must be filed even if you did NO business in Washington State during 2005.*

Attach the actual supporting documentation used to complete this Consolidated Annual Report. These include:

- A list of Washington loans originated, brokered, funded, purchased serviced, and/or sold during 2005  
AND EITHER:
  - Washington-State-business-only financial statements prepared according to GAAP  
OR
  - Company-wide financial statements prepared according to Generally Accepted Accounting Principles (GAAP)
- Any Consolidated Annual Report received without attached supporting documentation will be considered incomplete and therefore subject to the \$100 per day penalty.*

ANSWER EVERY QUESTION OR WRITE IN "NONE"

Assessment Analysis of Dollar Volume of Business Conducted in Washington Under The Consumer Loan Act		Dollar Volume
1.	Principal Balance of all loans on December 31, 2005 (Line 3 of the Consolidated Annual Report)	\$
2.	Principal Balance of Loans with servicing released (Line 2c of the Consolidated Annual Report)	\$
3.	Principal Balance of Loans with servicing retained (Add lines 2d and 2e of the Consolidated Annual Report)	\$
4.	Add lines 1, 2, and 3 (This is your "Adjusted Total Loan Value")	\$
5.	Multiply line 4 by .000180271, enter the total here, and pay this amount. (Round to the nearest cent, not to the nearest dollar) <i>Checks should be made payable to the "Washington State Treasurer"</i>	\$

I hereby certify under penalty of perjury that the information contained in this annual assessment report has been carefully examined by me and is correct and complete, and further acknowledge that there are no misrepresentations or omissions of material facts.

**Prepared By:** \_\_\_\_\_  
Signature

\_\_\_\_\_ Date

\_\_\_\_\_ Type or printed name of preparer

\_\_\_\_\_ Title

**Phone:** \_\_\_\_\_

**Fax:** \_\_\_\_\_

**e-mail:** \_\_\_\_\_

## Instructions for completing the Annual Assessment Report

*We suggest you begin by making a copy of this blank form. Use your completed Consolidated Annual Report form to complete the Annual Assessment Report..*

**1. Principal Balance of loans on December 31, 2005.** Enter the dollar volume from line 3 of your completed Consolidated Annual Report form here.

**2. Principal Balance of Loans made in 2005 and sold in 2005 with servicing released.** Enter the dollar volume from line 2c of your completed Consolidated Annual Report form here.

**3. Principal Balance of Loans sold during 2005 with servicing retained.** Enter the sum of the dollar volumes from lines 2d and 2e of your completed Consolidated Annual Report form here.

**4. Adjusted total value.** Add lines 1, 2, and 3 of the Annual Assessment Report.

**5. Assessment Due.** Multiply the dollar volume on line 4 of the Annual Assessment Report by .000180271 (or by .018027% if your calculator doesn't have enough decimal spaces). Round to the nearest cent – do not round to the dollar. Enter the result here – this is the annual assessment fee due. **Please, make the check payable to The Washington State Treasurer.**

**Preparer's Certification & Information:** Who actually prepared this report (accountant, compliance manager, etc)? That person should complete the preparer's certification and information portion.

Filing Checklist (in the order of appearance) all should be in a single package:

- Check for annual assessment fee (unless no fee is due)
- Annual Assessment Report (1 page)
- Consolidated Annual Report (2 pages, or double-sided)
- Audited Financial Statements (either WA-only business, or company-wide combined statements)
- List of all WA loans (unless e-mailed in advance)

**Delivery** – Your filing must reach our offices on or before 3/1/06 – please send via a method to ensure timely delivery to:

*via US Postal Service:*

Dept of Financial Institutions  
Division of Consumer Services  
PO Box 41200  
Olympia WA 98504-1200

*via other couriers (eg: UPS, FedEx, etc)*

Dept of Financial Institutions  
Division of Consumer Services  
150 Israel Rd SW  
Tumwater WA 98501

**Still Need Help?** Send your specific questions via e-mail to [DCS@dfi.wa.gov](mailto:DCS@dfi.wa.gov) or phone 360/902-8815 and someone from the DFI staff will research and respond separately.

*HINT: This might be a good time for you to check our licensing information for your company to verify addresses, dba's, etc. See our "Licensee Database" online at <https://fortress.wa.gov/dfi/licquery/dfi/licquery/default.aspx> for the details. If you find changes are needed, contact the licensing unit by e-mail above or phone 360/902-8756 for assistance with an "amendment application" form.*